

## CHAPTER 8

### INTER-DEPARTMENT BILLS

#### OVERVIEW OF INTER-DEPARTMENTAL BILL PROCESS

Inter-Department Bills are used to transfer funds between agencies for the cost of products or services provided by one agency to another. Most ID-Bills are generated by the central services (Motor Pool, Telecommunications, etc.). After you have purchased the product or service, central services sends the ID-Bills directly to the Auditor of State for payment. You will receive a copy of the ID-Bill with your daily transactions from the Auditor of State.

After receiving an ID-Bill from the Auditor's Office, it should be reviewed and compared to agency's records to verify accuracy of the billing and to the Agency Appropriation and Allotment Trial Balance Report to ensure it was posted to the appropriate Fund/Center.

For interdepartmental charges for which the supplying agency does not automatically send ID-Bills to the Auditor's Office, the following pages are the instructions for completing, processing, and distribution of the ID-Bills. These instructions were copied from the Auditor of State's Statewide Accounting System Reference Guide.

ID-Bills should be prepared and submitted to the Auditor's Office in a timely manner. Agencies copies of ID-Bills should be filed chronologically by Fund/Center.

#### INSTRUCTIONS FOR COMPLETING INTER-DEPARTMENT BILL

The Inter-Department Bill [Form 43422(R2)] may be completed legibly in ink or typed. It is to be completed by the SUPPLYING AGENCY in the following manner:

1. **CHARGE RECEIVING AGENCY** - Type the agency name and number being charged for a product or service in the spaces provided.
2. **CREDIT SUPPLYING AGENCY** - Type the agency name and number who supplied the product or service in the spaces provided.
3. **DOCUMENT NUMBER - ID###XXXXX** - The document number consists of ten (10) alpha-numeric characters.

Digits 1-2 = ID

ID (pre-printed on the form)

Digits 3-5 = ###

**SUPPLYING AGENCY NUMBER**

Digits 6-10 = XXXXX

**SEQUENTIAL INVOICING SCHEME FOR THE SUPPLYING AGENCY**

4. **DATE** - The date of the invoice in month/day/year format.
5. **SHIP TO: AGENCY NAME AND ADDRESS** - The agency name and address being billed.

**BODY OF THE INTER-DEPARTMENT BILL** - Sixteen lines have been provided. Do not skip lines. Enter the necessary information in the appropriate columns.

**Net entries are allowed.** For example; The receiving agency may be charged for three types of expenses (3 debit entries to 3 expenditure objects), but the supplying agency may consider the total as one type of revenue (1 credit entry to 1 revenue object). Again, total debits must equal total credits.

6. **FUND NUMBER** - Enter the appropriate fund number.
7. **OBJECT** - Enter the appropriate expenditure or revenue object. Note: All objects will end with a 1 to indicate it is a transfer.
8. **CENTER** - Enter the appropriate center number.
9. **RECEIVING AGENCY OR DEBIT AMOUNT** - Enter the amount being charged to the receiving agency for that fund/ object/center.
10. **SUPPLYING AGENCY OR CREDIT AMOUNT** - Enter the amount being transferred to the supplying agency for that fund/object/center.
11. **DESCRIPTION** - Optional - Enter a brief description of the transaction.
12. **ACCT RULE** - The accounting rule no longer needs to be entered on the Inter-Department Bill.
13. **GRAND TOTAL** - Total each column. **Debits must equal credits.**

**EXAMPLE:**

The Department of Administration (061), fund/center 5220/106400, is billing the Auditor of State (050), fund/center 1000/100500, for a printing job in the amount of \$257.34. Printing job number 872493. Inter-Department Bill Number ID 061 00934. Billing date January 15, 2000.



# INTERDEPARTMENTAL BILL

State Form 43422 (R2 / 1-91)

Approved by State Board of Accounts 1991

Document number ID <u>0 6 1 0 0 9 3 4</u> (3)				Date (month, day, year) 01-15-00 (4)		<b>CHARGE RECEIVING AGENCY</b>	
Ship to: (agency name and address) Auditor of State Room 240, State House Indianapolis, Indiana 46204 (5)				Name of agency Auditor of State (1)		Agency number 050	
				<b>CREDIT SUPPLYING AGENCY</b>			
				Name of agency Department of Administration (2)		Agency number 061	
LINE NO.	FUND NUMBER	OBJECT	CENTER	RECEIVING AGENCY OR DEBIT AMOUNT	SUPPLYING AGENCY OR CREDIT AMOUNT	DESCRIPTION	ACCTG. RULE
1	1000	530201	100500	257.34		Print Job #876543	24
2	5220	434201	106400		257.34		26
3	(6)	(7)	(8)	(9)	(10)	(11)	(12)
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
(Debits must equal Credits) (13) <b>GRAND TOTAL</b>				257.34	257.34		
RECEIVING AGENCY NOTES: When goods/services have been received, sign in the space provided, retain the goldenrod copy for your records, and return the remainder of the ID-Bill set to the billing agency. You will receive the green copy upon liquidation.					<b>APPROVED FOR PAYMENT</b>		
					Signature of receiving agency Authorized Person		Date signed (month, day, year) 1/20/00

**DISTRIBUTION:** White (approval of payment) - Auditor; Green (liquidation) - Receiving agency; Canary (liquidation) - Supplying agency; Pink (receivable) - Supplying agency; Goldenrod (obligation) - Receiving agency

## INSTRUCTIONS FOR PROCESSING AND DISTRIBUTION OF ID-BILL

### **SUPPLYING AGENCY**

1. Complete Inter-Department Bill.
2. Send Inter-Department Bill set to receiving agency.

### **RECEIVING AGENCY**

1. Review Inter-Department Bill.
2. If all information is correct:
  - A. Sign and date **Approved for Payment** space.
  - B. Retain the goldenrod copy for your records.
  - C. Return the Inter-Department Bill set to the supplying agency.
3. If all information is not correct, contact the supplying agency.

### **SUPPLYING AGENCY**

1. Review Inter-Department Bill for appropriate signatures.
2. If signed:
  - A. Retain the pink copy for your records.
  - B. Send the original and two copies (canary/green) to the Auditor of State with the I.D. Bills Payable Transmittal (Form DASD-17, State Form 3213).
3. If not signed, contact the receiving agency.

### **AUDITOR OF STATE**

1. Verify all I.D. Bills listed on transmittal are attached.
2. Audit Inter-Department Bill.
3. If all information provided correctly:
  - A. Process.
  - B. Return liquidation copies to each agency.  
Green - Receiving Agency  
Canary - Supplying Agency
  - C. Retain white copy.
4. If all information is not provided correctly, return to the supplying agency.

## INSTRUCTIONS FOR COMPLETING ID-BILLS PAYABLE TRANSMITTAL

The I.D. Bills Payable Transmittal, Form 3213, may be completed legibly in ink or typed. It is to be completed by the SUPPLYING AGENCY in the following manner:

1. **NUMBER** - A reference number to be used by the supplying agency.
2. **DATE** - Enter the date the transmittal and I.D. Bills are being sent to the Auditor of State.
3. **NAME OF AGENCY** - Enter the agency name.
4. **AUTHORIZED SIGNATURE** - Signature of authorized person from the supplying agency.
5. **LIST IN NUMERICAL ORDER BELOW:**
  1. List the attached document numbers and total charged per document, or
  2. List the attached document numbers, receiving agency name, and total charged per document,  
or
  3. Enter the range (from document number to document number).
6. **TOTAL TRANSMITTED** - Enter the grand total of all documents attached to the transmittal.

NOTE: The I.D. Bills Payable Transmittal is used to ensure groups of I.D. Bills sent to the Auditor's office remain together, and possibly eliminate lost documents.